

Message Text

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51

ACTION EB-07

INFO OCT-01 AF-06 EUR-12 NEA-09 ISO-00 CAB-02 CIAE-00

COME-00 DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 L-02

SP-02 SS-15 NSC-05 TRSE-00 H-02 /070 W

----- 107242

R 100705Z MAR 75

FM AMEMBASSY ACCRA

TO SECSTATE WASHDC 6706

INFO AMEMBASSY ABIDJAN

AMEMBASSY BANGUI

AMEMBASSY BRUSSELS

AMEMBASSY COTONOU

AMEMBASSY DAKAR

AMEMBASSY KINSHASA

AMEMBASSY LAGOS

AMEMBASSY LIBREVILLE

AMEMBASSY LOME

AMEMBASSY MONROVIA

AMEMBASSY NAIROBI

AMEMBASSY NDJAMENA

AMEMBASSY NIAMEY

NOUAKCHOTT 236

AMEMBASSY OUGADOUGOU

AMEMBASSY PRETORIA

AMEMBASSY YAOUNDE

AMCONSUL CASABLANCA

AMCONSUL JOHANNESBURG

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E.O. 11652: N/A

TAGS: EAIR GH

SUBJ: USCIVAIR: BILATERALS WITH WEST AFRICAN COUNTRIES

REFS: (A) ACCRA 6651, 11/29/75 (B) ACCRA 6923, 12/7/74

(C) ACCRA 0128 (NOTAL) (D) ACCRA 0783 (NOTAL)

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(E) STATE 037671

1. SUMMARY. WE CONTINUE IN OUR BELIEF THAT IT IN USG INTEREST TO RECONSIDER OUR POLICY ON BILATERAL AIR TRANSPORT AGREEMENTS WITH GHANA. END SUMMARY.

2. DEPARTMENT IS FULLY AWARE OF CONSIDERABLE PRESSURE PAN AM FINDS ITSELF UNDER IN GHANA DUE TO LACK OF US-GHANA BILATERAL AIR TRANSPORT AGREEMENT. GHANAIS THEREFORE RIGHTLY BELIEVE THEY ARE NOT RPT NOT BEING ACCORDED RECIPROCITY. PAN AM'S RIGHTS HAVE BEEN RESTRICTED (LAST FALL'S SUDDEN RESTRICTION OF ACCRA-KINSHASA TRAFFIC RIGHTS ONCE A WEEK IN EACH DIRECTION) AND IT IS UNDER CONSTANT CLEAR THREAT OF SUDDEN AND UNILATERAL TERMINATION OF ALL RIGHTS THROUGH GHANA.

3. IN WHAT IS EXPLANIED TO PAN AM AS DIRECT RESULT OF US NON-RECIPROCITY, PAN AM IS FACED WITH BACK TAX CLAIM OF ALMOST ONE MILLION DOLLARS. A NEW DEVELOPMENT WHICH EMERGED DURING FEBRUARY VISIT MEAD (ASSISTANT TREASURER) AND GLAESO (INTERNATIONAL TAXES DEPT.) FROM PAN AM HEAD OFFICE IS THA CEDIS 500,000 (APPROX. DOLS 435,000) DEPOSIT IS REQUIRED FROM PAN AM EVEN TO LODGE AN APPEAL ON TAX CLAIM. TAX CLAIM IS FOR 21 YEARS; THERE APPEARS TO BE NO STATUTE OF LIMITATIONS.

4. I ASKED MEAD AND GLAESO TO REPORT TO NEW YORK THAT I WOULD BE WILLING TO TRY TO SET UP APPOINTMENT WITH KEY GHANAIS FOR SENIOR PAN AM REPS, AND TO SIT IN ON THE MEETING, IN AN EFFORT TO SORT OUT THE TAX MATTER. PAN AM HAS NOT TAKEN UP THE OFFER.

5. THE FACTORS DESCRIBED INPARAS 1 AND 2 ABOVE WILL CONTINUE SO LONG AS WE REFUSE TO ENTER INTO BILATERAL AGREEMENT WITH GHANA. PAN AM COULD VERY WELL LOSE ITS APPEAL ON THE TAX MATTER. DAMOCLES' SWORD WOULD CONTINUE OVER ITS OPERATIONS THROUGH GHANA.THUS, SCARCE FUNDS WILL CONTINUE TO BE TIED UP AND JEOPARDIZED, AND PAN AM'S REGIONAL SCHEDULES WILL STILL BE IN THE BALANCE.

6. IF WE ENTER INTO BILATERAL NEGOTIATIONS WITH OTHER LIMITED OFFICIAL USE

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AFRICANS BUT CONTINUE TO DENY BILATERAL TO GHANA THERE SEEMS LITTLE DOUBT BUT THAT THE TREATS TO PAN AM WOULD BE CARRIED OUT; ITS SERVICES WOULD HAVE TO TERMINATE, AND ITS FUNDS HERE WOULD BE AS GOOD AS FORFEIT.

7. LOGIC THEREFORE IMPELLS US TO REITERATE THE PROPOSAL ALREADY MADE A NUMBER OF TIMES BY MY PREDECESSOR AND MYSELF: RECOMMENCE NEGOTIATION IN GOOD FAITH LEADING

TO A US-GHANAIAAN AIRLINE BILATERAL AGREEMENT. WE ARE
CONVINCED THAT SUCH A STEP WOULD IMMEDIATELY AND PERMANENTLY
PUT THE TAX PROBLEM TO REST, AND IT WOULD OF COURSE ASSURE
PAN AM OF ITS TRAFFIC RIGHTS. LACK OF EQUIPMENT AND OTHER
ECONOMIC CONDITIONS WOULD PROBABLY PRECLUDE GHANA FROM
ASKING ACTUAL GHANA AIRWAYS SERVICE TO THE U.S. IN THE
IMMEDIATE FUTURE, EVEN WITH A BILATERAL AGREEMENT IN HAND.
FINALLY, AND VERY IMPORTANTLY, ONE OF THE FEW IRRITANTS
IN GHANAIAAN-US RELATIONS WOULD BE REMOVED (RECALL
THIS WAS ONE OF THREE SUBJECT CHAIRMAN ACHEAMPONG
RAISED WITH ME AT CREDENTIALS PRESENTATION --
REFTEL B).
BLACK

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